Farm Service Agency



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The Dairy Production Disaster Assistance Program

Background

The Dairy Production Disaster Assistance Program is an emergency effort administered by the Farm Service Agency (FSA) to help dairy producers who suffered losses from recent natural disasters. It provides a partial reimbursement to eligible producers for milk losses.

Where Is This Assistance Available?

Dairy Production Disaster Assistance Program assistance is available to eligible producers only in areas:

- (1) Where a disaster occurred between November 27, 1997, through May 1, 1998, (inclusive).
- (2) For which a Presidential Disaster Declaration or Secretarial Disaster Designation was requested as a result of a disaster from November 27, 1997, and through May 1, 1998, and was subsequently approved.

Assistance is available <u>only</u> in counties named as primary disaster counties. Assistance is <u>not</u> available in contiguous counties under this program.

Who Is Eligible?

Eligible producers are those who:

- (1) Own a substantial beneficial interest in an eligible dairy operation;
- (2) Have a financial risk in the eligible dairy operation;
- (3) Suffered a loss of milk production that is the direct or related result of the event for which the Presidential Declaration or Secretarial Designation was made.

 Losses must have occurred between November 27, 1997, and May 1, 1998;
- (4) Are citizens of, or legal resident aliens in, the United States.

Eligible milk categories are:

- Milk produced but not marketed;
- Diminished production.

Producers <u>must</u> provide documentation to support loss claims.

How Is The Payment Calculated?

Benefits are paid at the rate of \$4 per cwt of eligible milk losses.

If the total calculated payments for all approved applications exceed \$6.8 million, a uniform reduction will be applied to each producer's payment so the total outlays will not exceed \$6.8 million.

Will The Payment Be Reduced if I Have Private Insurance?

No. Dairy Production Disaster Assistance Program payments are not adjusted to account for insurance indemnities received from other sources. This is to encourage producers to seek private means of minimizing their livestock production loss risk.

When Will Producers Be Reimbursed?

Payment will be made after all applications have been received, and it has been determined whether or not a uniform reduction must be applied.

Fact Sheet The Dairy Production Disaster Assistance Program

When And Where Can I Sign Up?

The sign-up period for assistance will begin July 6, 1998, and end September 1, 1998. Application should be made at the FSA county office serving your area.

Further information is available at your local FSA office. These are usually listed in telephone books under "United States Government, U.S. Department of Agriculture." You may also obtain information from FSA's Home Page at: www.fsa.usda.gov

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